

STATE OF CALIFORNIA
Department of Housing and Community Development

NEWS

FOR IMMEDIATE RELEASE

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**State Department of Housing and Community Development
Awards \$7,620,000
to 22 Communities through the CDBG Program**

SACRAMENTO— Business, Transportation and Housing Agency Secretary, Sunne Wright McPeak, today announced that the Department of Housing and Community Development will award **\$7,620,000** in Community Development Block Grant Program (CDBG) funds to **22** small cities and rural counties to fund projects that will assist businesses with creating new permanent, full-time jobs. The funds are awarded through a competitive funding process under the State CDBG Program's California Communities Economic Enterprise Fund. The cities and counties that were successful in receiving these funds will receive up to \$500,000 to be used to fund locally revolving loan programs that provide "gap" financing to business expansion projects that will lead directly to the creation of new, full-time, permanent jobs, or for assistance (e.g. entrepreneur training or micro-loans) provided to low income persons, that promote the development of micro-enterprises that employ five or fewer persons.

Applications were evaluated and ranked relative to their comparative need, capacity and effectiveness. The funded applications are projecting that **213** businesses will be assisted resulting in the creation of at least **319** jobs, and micro-enterprise activities propose to assist **549** clients in starting-up or expanding their microenterprise businesses. The business assistance and micro-enterprise assistance activities will leverage approximately **\$3,006,316** in other funding.

A complete list of recipients and award amount is attached.